

Remarks

Claim Status:

Claims 10-17, 19-23 and 31-45 are pending in the application. Claims 13, 14 and 23 are amended in an editorial manner and not in response to the art or any formal rejection; and claims 1-4, 8-9 and 24-29 are canceled herein without prejudice to the subject matter recited therein. Indeed, we reserve the right to present these canceled claims (or similar claims) in one or more continuing applications.

Independent claims 39 and 40 are newly presented, but are loosely modeled after allowed claims 20 and 31, respectively. Claims 41-45 depend from new independent claim 40.

Allowed Claims:

We greatly appreciate the indication that claims 10-17, 19-23 and 31-38 are allowed (please see page 2, paragraph 3 of the February 10, 2006, Examiner's Answer to Appellant's Appeal Brief). New claims 39 and 40 are loosely modeled after allowed claims 20 and 31, respectively. The application stands ready for allowance.

Information Disclosure Statement:

An Information Disclosure Statement is filed concurrently herewith. Consideration of the information cited therein is respectfully requested.

Conclusion:

The application is believed to be in condition for allowance. Nevertheless, the Examiner is respectfully invited to contact the undersigned at 503-469-4685 with any questions.

Date: March 3, 2006

Customer No. 23735

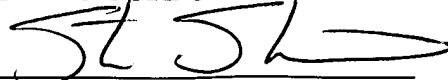
Phone: 503-469-4685

FAX: 503-469-4777

Respectfully submitted,

DIGIMARC CORPORATION

By



Steven W. Stewart

Registration No. 45,133